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Notice Content

NOTICE OF HEARING DOCKET NO. 2022-003 CAUSE NO. 130-11 BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER: Docket No. 2022-003 Cause No. 130-11 - In the matter of the Request for Agency Action of ALTAMONT ENERGY OPERATING, LLC for an order amending the Board's order in Docket No. 2008-024, Cause No. 139-84 and establishing overlapping 640- acre drilling units and overlapping "stand up" 1,280- acre drilling units, for the production of oil, gas and associated hydrocarbons from the Lower Green River and Green River-Wasatch Formations in: (1) Sections 1-28 and 33-36, Township 1 South, Range 2 West, U.S.M. all in Duchesne County, Utah. NOTICE IS HEREBY GIVEN that the Board of Oil, Gas and Mining (the "Board"), State of Utah, will conduct a hearing on Wednesday, February 23, 2022, at 9:00 a.m., or as soon thereafter as possible. The hearing will be streamed live on the Department of Natural Resources YouTube channel at https://youtu.be/k710lcaufbE. It is anticipated the hearing will be conducted electronically with an anchor location at the Department of Natural Resources auditorium, 1594 West North Temple, Salt Lake City, Utah., pursuant to Utah Code Ann. § 52-4-207(4). Members of the public who wish to participate in the hearing electronically must contact the Board's secretary, Ms. Julie Ann Carter, by phone at 801-538-5277 or email at juliecarter@utah.gov prior to the hearing. The Board will also provide limited space in the Division of Natural Resources Auditorium for the public to attend in-person. Members of the public who wish to attend the hearing in-person should contact Ms. Carter at least 24 hours before the hearing to ensure appropriate accommodations will be available. Attendees will be required to abide by all public health protocols in place at the time of the hearing. Anyone who may wish to observe the public hearing electronically may do so by logging on to the YouTube channel specified above. THE HEARING WILL BE CONDUCTED as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641, et seq. and as provided for in Utah Code Ann. § 40-6-1, et seq. and Utah Code Ann. § 63G-4-101 through -601. THE PURPOSE OF THE HEARING will be for the Board to receive testimony and evidence regarding a Request for Agency Action ("RAA") filed by Altamont Energy Operating, LLC, that the Board enter an order: I. Amending the Board's Order entered in Docket No. 2008-024, Cause No. 139-84 ("Order 139-84") and establishing overlapping 640-acre drilling units and overlapping "stand-up" 1,280-acre drilling units, for the production of oil, gas and other hydrocarbons from the Lower Green River and Green River-Wasatch Formations, defined for purposes of this RAA as (collectively, "Subject Formations"): The interval from the top of the Lower Green River Formation (TGR3) to the base of the Green River-Wasatch Formation (top of Cretaceous), which base is defined as the stratigraphic equivalent of the Dual Induction Log depths lying between 16,720 feet and 16,970 feet in the Shell-Ute 1-18B5 Well, located in the S/2NE/4, Section 18, Township 2 South, Range 5 West, U.S.M., From the following described lands (collectively, "Subject Lands"): Township 1 South, Range 2 West, U.S.M., Sections 1-28 & 33-36: All. A. Declaring the Subject Formations a "common source of supply," as contemplated by Utah Code Ann. § 40-6-2(21); B. Maintaining Order 139-84's establishment of the Vertical/Directional Well Units upon the Subject Lands for the Subject Formations for all Existing Vertical/ Directional Wells and future Vertical/Directional Wells, effective the date of issuance of any order of the Board issued pursuant to this RAA (collectively, "Existing Wells"); API, WELL NAME, OPERATOR, SURFACE LOCATION (T/R/S), WELL STATUS; 4301330014, Chasel Miller 1-1A2, Chevron USA Inc, 1S-2W, 1, PA; 4301330360, Chasel Miller 2-1A2, EP Energy E&P Company, LP, 1S-2W, 1, P; 4301331135, Duncan 3-1A2 K, EP Energy E&P Company, LP, 1S-2W, 1, P; 4301331287, Duncan 4-1A2, Linmar Petroleum Company, 1S-2W, 1, APD Resc.; 4301350424, Whiting 4-1A2, EP Energy E&P Company, LP, 1S-2W, 1, APD Resc.; 4301330001, Fay Mecham Fee 1 (4-2C), Chevron USA Inc, 1S-2W, 2, PA; 4301330005, Clyde Murray 1-2A2, Altamont Energy Operating LLC, 1S-2W, 2, P; 4301330816, Murray 3-2A2, EP Energy E&P Company, LP, 1S-2W, 2, P; 4301331276, Duncan 4-2A2, Altamont Energy Operating LLC, 1S-2W, 2, P; 4301310495, Victor Brown Fee 1, Rooney Operating Co, 1S-2W, 3, PA; 4301320316, Blanchard 1-3A2, EP Energy E&P Company, LP, 1S-2W, 3, PA; 4301330008, W H Blanchard 2-3A2, EP Energy E&P Company, LP, 1S-2W, 3, PA; 4301330021, 1-3A2, Altamont Energy Operating LLC, 1S-2W, 3, DRL; 4301330986, Brown 3-2, Homeland Gas & Oil, Inc, 1S-2W, 3, PA; 4301331050, Brown 3-3, Albritton Resources Inc, 1S-2W, 3, APD Resc.; 4301330011, Victor C Brown 1-4A2, Altamont Energy Operating LLC, 1S-2W, 4, PA; 4301330017, Doug Brown 2-4A2, Altamont Energy Operating LLC, 1S-2W, 4, P; 4301332684, Brown 3-4A2, Altamont Energy Operating LLC, 1S-2W, 4, P; 4301330347, Lamicq-Urty U 4-5A2, Altamont Energy Operating LLC, 1S-2W, 5, P; 4301332202, Bowman 5-5A2, Altamont Energy Operating LLC, 1S-2W, 5, S; 4301310485, Bluebell U 1, Humble Oil & Refining Co, 1S-2W, 6, PA; 4301330381, Ute 11-6A2, Quinex Energy Corp, 1S-2W, 6, P; 4301331882, John Chasel 3-6A2, Quinex Energy Corp, 1S-2W, 6, S; 4301332129, Sasha 4-6A2, Quinex Energy Corp, 1S-2W, 6, S; 4301332131, Tristan 5-6A2, Quinex Energy Corp, 1S-2W, 6, S; 4301330025, Ute 1-7A2, EP Energy E&P Company, LP, 1S-2W, 7, P; 4301331009, Ute Tribal 2-7A2, Altamont Energy Operating LLC, 1S-2W, 7, S; 4301330036, Lamicq-Urruty 1-8A2, EP Energy E&P Company, LP, 1S-2W, 8, PA; 4301331231, Mecca 2-8A2, Altamont Energy Operating LLC, 1S-2W, 8, P; 4301332227, Squires 3-8A2, Altamont Energy Operating LLC, 1S-2W, 8, S; 4301330046, Urruty 2-9A2, EP Energy E&P Company, LP, 1S-2W, 9, PA; 4301331278, Hamblin 3-9A2, Altamont Energy Operating LLC, 1S-2W, 9, PA; 4301331351, Boren 4-9A2, Devon Energy Prod Co LP, 1S-2W, 9, PA; 4301332203, Boren 4-9A2, Altamont Energy Operating LLC, 1S-2W, 9, P; 4301332832, Boren 5-9A2, Devon Energy Prod Co LP, 1S-2W, 9, PA; 4301330004, Bauman State 1-10, Shell Oil Company, 1S-2W, 10, APD Resc.; 4301330006, State 1-10A2 (3-10A2) 10C), Altamont Energy Operating LLC, 1S-2W, 10, S; 4301330012, SMB 1-10A2, EP Energy E&P Company, LP, 1S-2W, 10, PA; 4301332223, Blanchard 3-10A2, Altamont Energy Operating LLC, 1S-2W, 10, P; 4301320255, SWD 4-11A2, Altamont Energy Operating LLC, 1S-2W, 11, A; 4301330009, Virgil Mecham 1-11A2, Altamont Energy Operating LLC, 1S-2W, 11, I; 4301330277, L Boren U 2-11A2, Pennzoil Explor & Prod Co, 1S-2W, 11, PA; 4301331192, Boren 3-11A2, EP Energy E&P Company, LP, 1S-2W, 11, P; 4301330013, Kendall 1-12A2, EP Energy E&P Company, LP, 1S-2W, 12, PA; 4301330031, Olsen U 1-12A2, Devon Energy Prod Co LP, 1S-2W, 12, PA; 4301331233, Duncan 4-12A2, Devon Energy Prod Co LP, 1S-2W, 12, PA; 4301320350, E-13-15-2W, Flying Diamond Oil Corp, 1S-2W, 13, APD Unapp.; 4301330024, James Powell 3, EP Energy E&P Company, LP, 1S-2W, 13, PA; 4301330478, SWD Powell 3, EP Energy E&P Company, LP, 1S-2W, 13, PA; 4301331120, Powell 2-13A2 K, EP Energy E&P Company, LP, 1S-2W, 13, P; 4301331319, Powell 4-13A2, ANR Production Company Inc, 1S-2W, 13, PA; 4301331336, Powell 4-13A2, EP Energy E&P Company, LP, 1S-2W, 13, PA; 4301331501, Nelson 5-13A2, Coastal Oil & Gas Corp, 1S-2W, 13, APD Resc.; 4301331516, Duncan 5-13A2, EP Energy E&P Company, LP, 1S-2W, 13, P; 4301330035, Fly/Dia L Boren 1-14A2, EP Energy E&P Company, LP, 1S-2W, 14, PA; 4301331299, Cornaby 2-14A2, EP Energy E&P Company, LP, 1S-2W, 14, P; 4301332678, Sundance 3-14A2, Devon Energy Prod Co LP, 1S-2W, 14, PA; 4301351846, Mike and Shelley 4-14A2, EP Energy E&P Company, LP, 1S-2W, 14, APD Resc.; 4301330086, L Boren U 3-15A2, Altamont Energy Operating LLC, 1S-2W, 15, P; 4301331186, Boren 4-15A2, Pennzoil Explor & Prod Co, 1S-2W, 15, APD Resc.; 4301331324, Boren 4-15A2, Pennzoil Explor & Prod Co, 1S-2W, 15, APD Resc.; 4301331333, Sundance 4-15A2, Altamont Energy Operating LLC, 1S-2W, 15, P; 4301330123, L Boren U 6-16A2, Altamont Energy Operating LLC, 1S-2W, 16, PA; 4301331390, Lamb 2-16A2, Altamont Energy Operating LLC, 1S-2W, 16, P; 4301330099, Lamicq-Urty U 3-17A2, Altamont Energy Operating LLC, 1S-2W, 17, P; 4301331190, Lamicq-Urrity 4-17A2, Altamont Energy Operating LLC, 1S-2W, 17, P; 4301330125, Ute Tribal 3-18A2, Devon Energy Prod Co LP, 1S-2W, 18, PA; 4301331342, Ute 2-18A2, Pennzoil Explor & Prod Co, 1S-2W, 18, APD Resc.; 4301332258, Ute Tribal 4-18A2, Devon Energy Prod Co LP, 1S-2W, 18, APD Resc.; 4301330147, Ute 4-19A2, El Paso E&P Company, LP, 1S-2W, 19, PA; 4301331330, Ute 5-19A2, Altamont Energy Operating LLC, 1S-2W, 19, P; 4301330133, Lamicq 1-20A2, Altamont Energy Operating LLC, 1S-2W, 20, S; 4301331191, Lamicq 2-20A2, Altamont Energy Operating LLC, 1S-2W, 20, P; 4301330130, Woodward 1-21A2, Altamont Energy Operating LLC, 1S-2W, 21, P; 4301331235, Swykes 2-21A2, Altamont Energy Operating LLC, 1S-2W, 21, S; 4301330107, L Boren U 5-22A2, Altamont Energy Operating LLC, 1S-2W, 22, P; 4301331334, Loranger 6-22A2, Altamont Energy Operating LLC, 1S-2W, 22, P; 4301330115, L Boren U 4-23A2, Altamont Energy Operating LLC, 1S-2W, 23, P; 4301331393, Labrum 2-23A2, Altamont Energy Operating LLC, 1S-2W, 23, P; 4301330084, Boren 1-24A2, EP Energy E&P Company, LP, 1S-2W, 24, S; 4301331322, Loranger 2-24A2, Altamont Energy Operating LLC, 1S-2W, 24, P; 4301351837, Fritz 3-24A2, Linn Operating LLC, 1S-2W, 24, APD Resc.; 4301353839, Fritz 14-24-1S-2W, Altamont Energy Operating LLC, 1S-2W, 24, P; 4301330120, Tomlinson Fed 1-25A2, Altamont Energy Operating LLC, 1S-2W, 25, P; 4301331232, Mark 2-25A2, Altamont Energy Operating LLC, 1S-2W, 25, PA; 4301330083, Hamblin 1-26A2, EP Energy E&P Company, LP, 1S-2W, 26, PA; 4301330389, Central Bluebell 2-26A2, Altamont Energy Operating LLC, 1S-2W, 26, DRL; 4301330903, Hamblin 2-26-A2, Altamont Energy Operating LLC, 1S-2W, 26, PA; 4301330119, Verl Johnson 1-27A2, Devon Energy Prod Co LP, 1S-2W, 27, PA; 4301331184, Shaw 2-27A2, Altamont Energy Operating LLC,

1S-2W, 27, P; 4301330150, Anderson 1-28A2, EP Energy E&P Company, LP, 1S-2W, 28, PA; 4301330346, Bluebell 2-28A2, Altamont Energy Operating LLC, 1S-2W, 28, DRL; 4301330821, Dillman 2-28A2, Altamont Energy Operating LLC, 1S-2W, 28, P; 4301330202, Cheney 1-33A2, EP Energy E&P Company, LP, 1S-2W, 33, PA; 4301331042, Cheney 2-33A2, EP Energy E&P Company, LP, 1S-2W, 33, PA; 4301331049, Urruty 1-34A2, Barrett Resources Corp, 1S-2W, 34, PA; 4301330753, Urruty 2-34A2, EP Energy E&P Company, LP, 1S-2W, 34, PA; 4301330156, State 2-35A2, EP Energy E&P Company, LP, 1S-2W, 35, PA; 4301331215, Wisse 3-35A2, Altamont Energy Operating LLC, 1S-2W, 35, P; 4301330143, Maurel Taylor Fee 1-36A2, Altamont Energy Operating LLC, 1S-2W, 36, PA; 4301331335, Cox 2-36A2, Altamont Energy Operating LLC, 1S-2W, 36, P; C. Amending Order 139-84 to establish the SLHZ Well Units upon the Subject Lands for the Subject Formations for all Existing SLHZ Wells and future SLHZ Wells, effective the date of issuance of any order of the Board issued pursuant to this RAA; D. Amending Order 139-84 to establish the LLHZ Well Units upon the Subject Lands for the Subject Formations for all Existing LLHZ Wells and future LLHZ Wells, effective the date of issuance of any order of the Board issued pursuant to this RAA; E. Authorizing the drilling, completion and operation of up to 4 Vertical/Directional Wells in the Vertical/Directional Well Unit on the Subject Lands, for a total of 4 Vertical/Directional Wells per single governmental section (inclusive of Existing Vertical Directional Wells) for the Subject Formations; F. Authorizing the drilling, completion and operation of up to 12 SLHZ Wells in each SLHZ Well Unit on the Subject Lands (inclusive of: (I) any Existing SLHZ Wells; (II) any future SLHZ Wells drilled within such SLHZ Well Unit; and (III) any Existing LLHZ Wells and/or future LLHZ Wells drilled on any lands contained within such SLHZ Well Unit) for the Subject Formations; G. Authorizing the drilling, completion and operation of up to 12 LLHZ Wells in each LLHZ Well Unit on the Subject Lands (inclusive of: (I) any Existing LLHZ Wells; (II) any future LLHZ Wells drilled within such LLHZ Well Unit; and (III) any Existing SLHZ Wells or future SLHZ Wells drilled on any lands contained within such LLHZ Well Unit) for the Subject Formations; H. Amending Order 139-84 to provide that Future Vertical/Directional Wells within each Vertical/Directional Unit shall be drilled, completed and operated: (I) no closer than 560' from any Existing Vertical/Directional Well, future Vertical/Directional Well, Existing LLHZ Well or future LLHZ Well and (2) no closer than 560' from the boundary of any Vertical/Directional Well Unit, absent exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3; I. Amending Order 139-84 to provide that there shall be no producing interval setbacks between future SLHZ Wells and future and/or Existing Vertical/Directional Wells in any Vertical/Directional Well Unit, absent an exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3; J. Providing for future SLHZ Well producing interval setbacks of: (1) 560' laterally from the east and west boundaries of the SLHZ Well Unit; (2) 560' laterally from the north and south boundaries of the SLHZ Well Unit; and (3) 560' laterally from the producing interval of any Existing SLHZ Well, Existing LLHZ Well, future SLHZ Well, or future LLHZ Well within the SLHZ Well Unit, absent exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3; K. Providing for future LLHZ Well producing interval setbacks of: (1) 560' laterally from the east and west boundaries of the LLHZ Well Unit; (2) 560' laterally from the north and south boundaries of the LLHZ Well Unit' and (3) 560' laterally from the producing interval of any Existing Vertical/Directional Well, Existing SLHZ Well, Existing LLHZ Well, future Vertical/Directional Well, future SLHZ Well, or future LLHZ Well within the LLHZ Well Unit, absent exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3; L. Providing that there shall be no interwell producing interval setback distance laterally within any SLHZ Well Unit or LLHZ Well Unit between Stacked HZ Wells, absent exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3; M. Providing for producing interval setbacks of 100' vertically from the producing interval of another Stacked HZ Well within such SLHZ Well Unit or LLHZ Well Unit, absent exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3; N. Providing that the surface location of any future Vertical/Directional Well upon the Subject Lands may be located pursuant to Order 139-84; O. Providing that the surface location of any future SLHZ Well or future LLHZ Well may be located anywhere within any SLHZ Well Unit or LLHZ Well Unit, absent an exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3, and subject to the acquisition of proper surface and subsurface estate authorizations (including, without limitation, mineral and surface owner subsurface easements) and the casing/cementing of any future SLHZ Well or future LLHZ Well to the 560' setbacks set forth in Paragraphs J-K above, to be evidenced by a self-certification of the same executed by the operator of the subject SLHZ Well or LLHZ Well and filed with the Division, and provided that the other setbacks set forth above are otherwise maintained; P. Providing that the surface location of any future SLHZ Well or future LLHZ Well may be located anywhere outside of such SLHZ Well Unit or LLHZ Well Unit, absent an exception location approval by the Board pursuant to Utah Admin. Code Rule R649-3-3, and subject to the acquisition of proper surface and subsurface state authorizations (including, without limitation, mineral and surface owner subsurface easements) and the casing/cementing of any future SLHZ Well or future LLHZ Well to the 560' setbacks set forth in Paragraphs J-K above, to be evidenced by a self-certification of the same executed by the operator of the subject SLHZ Well or LLHZ Well and filed with the Division, and provided that the other setbacks set forth above are otherwise maintained; and Q. Providing such other relief as may be just and equitable under the circumstances. Objections to the RAA must be filed with the Secretary of the Board at the address listed below no later than the 9th day of February, 2022. A party must file a timely written objection or other response in order to participate as a party at the Board hearing. Failure to participate can result in a default judgment. Natural persons may appear and represent themselves before the Board. All other representation of parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts. Persons interested in this matter may participate pursuant to the procedural rules of the Board. The RAA, and any subsequent pleadings, may be inspected at the office of the undersigned, and inspected online at the Board's website at http://ogm.utah.gov/amr/boardtemp/redesign/books.html. Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 26th day of January, 2022.

STATE OF UTAH

BOARD OF OIL, GAS AND MINING Chris D. Hansen, Chairman /s/ Julie Ann Carter Board Secretary 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84116 (801) 538-5277 Published in the Uintah Basin Standard Feb. 2, 2022.

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